

### REMARKS

The present remarks are responsive to the Office Action mailed on 05/02/06. Claims 1, 4, 6-15, 22 and 24 - 26 are pending in this application. Claims 2-3, 5, 16-21 and 23 have been canceled by prior amendment. Claims 1, 6, 8, 13, 22, and 24-26 have been canceled by the present communication. Base claims 4, 7 and 11 have been amended and new claim 27 added with allowable material as per the Examiner's suggestion and for clarity of the present invention. In addition, claims 9-12, 14-15, 22, and 24-26 have been amended for correcting antecedent basis informalities and also for clarifying the present invention. Support for the amendments can be found inter alia in the specification and original claims. No new matter has been added.

Accompanying this communication is a petition to extend the prosecution on this matter for three months and the appropriate fee. By the foregoing amendments and the following remarks, Applicants respectfully submit that remaining pending claims 4, 7, 9-12, 14 -15, and claim 27 are now in condition for allowance and Applicants respectfully request allowance of such claims.

### Discussion of the Office Action

In the Office Action of May 2, 2006 the Examiner rejected claims 1, 6, 11 and 12 under 35 U.S.C. §102(e) as being anticipated by Fukushima (U.S. Patent 5, 805, 759), he rejected claim 4 under 35 U.S.C. §102(b) as being anticipated by U.S. Patent 5, 043, 975 to McMahon, and he rejected claims 7, 9, 10, 24 and 25 under 35 U.S.C. §103(a) as being unpatentable over (U.S. Patent 5, 805, 759) to Fukushima in view of U.S. Patent 5, 043, 975 to McMahon.

Discussion of the rejection of claims 1, 6, 11, and 12 under 35 U.S.C. §102(e)

As set forth above, claims 1, 6, 11, and 12 stand rejected under 35 U.S.C. §102(e) as being anticipated by Fukushima (U.S. Patent 5, 805, 759). Applicants respectfully traverse the rejection.

Regarding claims 1 and 6, such claims have been provisionally canceled by the present communication. Accordingly, the rejection of such claims has been rendered moot.

With respect to claim 11, claim 11 has been amended to clarify the present invention and is rewritten with deemed allowable material of dependent claim 13 as suggested by the Examiner. In particular, the fourth element of base claim 11 has been amended to include the deemed allowable material (shown bolded below) and reads as follows:

a retro-reflector assembly positioned to receive predetermined N-1 complimentary outputs from said second diffraction grating **and adapted to vertically displace and retro-reflect said predetermined N-1 outputs** for redirection by said at least one collection and re-direction optic assembly.

Accordingly, Applicants respectfully submit that the rejection under U.S.C. §102(e) of claim 11 and amended dependent claim 12, which depends from claim 11 and thus contains all of the limitations of the base claims has been overcome and is requested to be removed.

Discussion of the rejection of claims 4 under 35 U.S.C. §102(b)

As set forth above, claims 4 stands rejected under 35 U.S.C. §102(b) as being anticipated by U.S. Patent 5, 043, 975 to McMahon. Applicants traverse such a rejection.

Applicants, as suggested by the Examiner, have rewritten base claim 4 to include the deemed allowable material of now canceled dependent claim 22.

Accordingly, in light of the amendment to claim 4 and the cancellation of dependent claim 22, the rejection of claim 4 under U.S.C. §102(b) is believed overcome and is requested to be removed.

Discussion of the rejection of claims 7, 9, 10, and 25 under 35 U.S.C. §103(a)

As set forth above, claims 7, 9, 10, 24 and 25 stand rejected under 35 U.S.C. §103(a) as being unpatentable over (U.S. Patent 5, 805, 759) to Fukushima in view of U.S. Patent 5, 043, 975 to McMahon. Applicants must traverse the rejection in light of the amendments.

Regarding base claim 7, claim 7 has been rewritten to include deemed allowable material of canceled claim 8 as suggested by the Examiner.

Regarding dependent claims 9 and 10, such claims now depend from base claim 7 having deemed allowable material.

Regarding claims 24 and 25, such claims have been canceled and the limitations have been rewritten into new claim 27 as suggested by the Examiner. Thus the rejection of claims 24 and 25 under 35 U.S.C. §103(a) are deemed moot.

Accordingly, in light of the amendment to base claim 7, the rejection under 35 U.S.C. §103(a) of claim 7 and dependent claims 9 and 10, which contains all the limitations of respective base claim 7, is deemed overcome and is requested to be removed.

#### ALLOWABLE SUBJECT MATTER

The Examiner states that claims 8, 13-15, 22 and 26 are objected to as being dependent upon a rejected base claim but would be allowable if rewritten in independent form including all of the limitations of the base claims and any intervening claims.

As per the suggestions by the Examiner, deemed allowable material of canceled claim 22 has been rewritten into base claim 4, deemed allowable material of canceled claim 8 has been rewritten into base claim 7, deemed allowable material of canceled claim 13 has been rewritten into base claim 11, and deemed allowable material of claim 26 has been rewritten into the independent format of new claim 27, which includes all of the limitations of base claim 7 and now canceled intervening claims 25 and 24.

### CONCLUSION

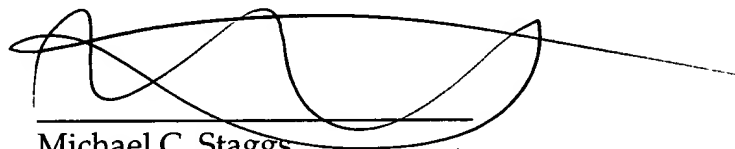
The undersigned respectfully submits that the rejections of the claims raised in the Office Action dated May 2, 2006 have been fully addressed and overcome, and the present application is believed to be in condition for allowance.

It is respectfully requested that this application be reconsidered and that remaining pending claims 4, 7, 9-12, 14 -15, and new claim 27 in this case be passed to issue. In the event that the Examiner finds any remaining impediment to the prompt allowance of these claims that can be clarified with a telephone conference, he is respectfully requested to initiate the same with the undersigned at (925) 422-3682.

Respectfully submitted,

Dated: \_\_\_\_\_

10/31/06

A handwritten signature in black ink, appearing to read 'Michael C. Staggs', written over a horizontal line.

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